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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91192099		
Party	Plaintiff McDonald's Corporation		
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Date	05/18/2010		
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

McDONALD'S CORPORATION,)		
)	Opposition No. 91/192,099	
Opposer,)		
)		
v.)	Mark:	McSWEET
)	Application S/N:	77/722,272
McSWEET, LLC,)	Filed:	April 24, 2009
)	Published:	September 1, 2009
Applicant.)		•

OPPOSER'S ANSWER TO APPLICANT'S AMENDED COUNTERCLAIM AND AFFIRMATIVE DEFENSES

Now comes Opposer/Counter-Respondent, McDONALD'S CORPORATION ("McDonalds"), and responds to the Amended Counterclaim of Applicant/Counter-Petitioner, McSWEET, LLC ("Applicant"), filed April 23, 2010, as follows:

Applicant, McSWEET, LLC, doing business at P.O. Box 607, Maple Valley, Washington, 98038, believes that it will be damaged by Registration No. 1,450,104 for the mark McNUGGETS registered to Opposer, McDONALD'S CORPORATION ("McDonald's"), located at McDonald's Plaza, Oak Brook, Illinois, 60531. Applicant hereby reinstates and restates its petition to cancel in its entirety the registration of the listed mark.

ANSWER: McDonald's admits that it has offices located on McDonald's Plaza in Oak Brook, Illinois, 60531, and that it is the owner of Registration No. 1,450,104 for the mark McNUGGETS. The allegation "Applicant hereby reinstates and restates its petition to cancel in its entirety the registration of the listed mark" is vague and unclear as to the "petition to cancel" and "registration of the listed mark" to which this allegation refers, and, on that basis, McDonald's denies this allegation. McDonald's is without knowledge sufficient to form an opinion or belief as to any remaining allegations set forth in this paragraph, and therefore denies the same.

21. Applicant has continuously used the mark McSWEET since September 4, 2008, to the present, exclusively in interstate commerce and in commerce regulated by Congress in connection with Applicant's goods and services, including the sale of "pickled asparagus" in International Class 29.

ANSWER: McDonald's is without knowledge sufficient to form an opinion or belief as to the allegations set forth in Paragraph No. 21, and therefore denies the same.

22. Applicant has used its global mark continuously for the goods and services specified for a period exceeding one year and the mark has acquired distinctiveness in connection with Applicant's goods and services.

ANSWER: McDonald's is without knowledge sufficient to form an opinion or belief as to whether Applicant has used its mark continuously for the goods and services specified for a period exceeding one year, and therefore denies the same. McDonald's denies each and every remaining allegation contained in Paragraph No. 22, including without limitation, the allegation that Applicant has a "global" mark.

23. Applicant has previously filed for registration of the mark McSWEET for use in connection with various pickled vegetable products, and has since amended its designation to "pickled gourmet vegetables, namely, pickled cocktail onions, pickled garlic, pickled, marinated olive medley, pickled green beans, and giardiniera, namely, a pickled celery, carrot, red pepper, garlic, green bean, and cucumber mix," also in International Class 29. Applicant and its predecessor in interest have used the mark continuously for pickled vegetables for a period exceeding 19 years and the mark has acquired distinctiveness in connection with Applicant's goods and services.

ANSWER: McDonald's admits that Applicant and Opposer are engaged in another Opposition proceeding related to a prior attempt by Applicant to register the mark McSweet, and that in the course of that Opposition, Applicant amended its designation of goods as reflected in Paragraph No. 21. McDonald's is without knowledge sufficient to form an opinion or belief as to whether Applicant and its predecessor in interest have used the mark continuously for pickled

vegetables for a period exceeding 19 years, and therefore denies the same. McDonald's denies each and every remaining allegation contained in Paragraph No. 23.

24. Applicant has applied for registration of its mark in International Class 29, Serial No. 77,722,272 as follows:

IC 029. US 046. G & S: pickled asparagus.

FIRST USE: 20080904.

FIRST USE IN COMMERCE: 20080904

ANSWER: McDonald's admits that Applicant has applied for registration of the mark "McSweet" in International Class 29 for use in connection with pickled asparagus, that it claims use in commerce as of September 4, 2008, and that its application has been assigned Serial Number 77/722,272 by the United States Patent and Trademark Office.

25. Applicant has used the mark McSWEET, in connection with various pickled vegetable products, since at least as early as 1999, and in connection with pickled asparagus since 2008; and Applicant's predecessor first used his mark in commerce since at least as early as 1990, in connection with processed vegetables. Opposer cites the referenced marks in support of its opposition to registration.

ANSWER: The allegation "Opposer cites the referenced marks in support of its opposition to registration" is vague and unclear as to what is meant by "the referenced marks," but McDonald's admits that it has cited to certain registrations that it owns in connection with its opposition to registration of McSWEET by Applicant. McDonald's is without knowledge sufficient to form an opinion or belief as to the remaining allegations set forth in Paragraph No. 25, and therefore denies the same.

26. Applicant has expended considerable effort and expense in promoting its mark McSWEET and the goods and services sold under such mark, with the result that the purchasing public has come to know, rely upon, and recognize the products of Applicant by such mark. Applicant has an exceedingly valuable goodwill established by its McSWEET mark.

ANSWER: McDonald's is without knowledge sufficient to form an opinion or belief

as to the allegations set forth in Paragraph No. 26, and therefore denies the same.

27. Applicant's McSWEET mark is not confusingly similar to Opposer's marks

identified above and the goods and services sold under Opposer's marks.

ANSWER: Denied.

28. Registration No. 1,450,104 is registered in International Class 042 in connection

with "restaurant services." Registration No. 1,450,104 should be canceled under the Trademark Act § 14, 15 U.S.C. § 1064, as abandoned for nonuse in connection with the services specified in

the registration. Upon information and belief McDONALD'S CORPORATION has a product on its menu and not a restaurant service that relates to this mark. Upon information and belief,

McDONALD'S CORPORATION never used or has discontinued the use of this mark in

connection with restaurant services and it is no longer in existence or good standing.

ANSWER: McDonald's admits that Registration No. 1,405,104 is registered in

International Class 042 for restaurant services for the mark "McNuggets" and that it has used and

continues to use the mark as both a trademark to identify a product and as a service mark to

identify its services. McDonald's further admits that it offers products in its restaurants a menu

item identified by the mark "McNuggets," and that such product is offered in association with

McDonald's restaurant services. McDonald's submits that Registration No. 1,450,104 speaks for

itself. McDonald's denies each and every remaining allegation contained in Paragraph No. 28.

Wherefore, Applicant deems that it is or will be damaged by Registration No. 1,450,104

for the mark McNUGGETS and petitions for cancellation thereof in its entirety. Applicant prays that this Petition for Cancellation be granted, that judgment be entered against Opposer, and that

United States Registration Nos. 1,450,104 be canceled.

ANSWER:

Denied.

OPPOSER'S FIRST AFFIRMATIVE DEFENSE TO APPLICANT'S COUNTERCLAIM

Estoppel by Incontestability Pursuant to 15 U.S.C. §1064 and 15 U.S.C. §1065

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- 1. The McNUGGETS mark was in continuous use by McDonald's for five consecutive years subsequent to the date of registration, namely, July 28, 1987. That mark is still used in commerce by McDonald's in connection with restaurant services. On September 22, 1992, McDonald's filed a Combined Section 8 and 15 Declaration for Registration No. 1,450,104.
- 2. Pursuant to 15 U.S.C. §1065, Registration No. 1,450,104 is incontestable, and under 15 U.S.C. §1115(b) constitutes conclusive evidence of the validity of the registered mark of the registration of the mark, of McDonald's ownership of the mark and of McDonald's exclusive right to the registered mark in commerce in connection with restaurant services.
- 3. Pursuant to 15 U.S.C. §§1064 and 1065 and 15 U.S.C. §1115(b), Applicant is prohibited from attacking the validity of Registration No. 1,450,104 on the ground that McDonald's allegedly "never used . . . this mark in connection with restaurant services" because that registration is incontestable.

OPPOSER'S SECOND AFFIRMATIVE DEFENSE TO APPLICANT'S COUNTERCLAIM

Applicant's Basis for Cancellation is Contrary to Binding Precedent

- 4. The United States Court of Appeals for the Federal Circuit has held in *In re McDonald's*, 818 F.2d 875 (Fed. Cir. 1987) (unpublished) that a term may be registered as both a trademark for a menu item and as a service mark for restaurant services.
- 5. To the extent that Applicant's Counterclaim contends that Registration No. 1,450,104 is invalid because the McNUGGETS mark cannot function as both a trademark for a menu item and as a service mark for restaurant services, that contention is contrary to binding precedent of the United States Court of Appeals for the Federal Circuit and fails as a matter of law.

OPPOSER'S THIRD AFFIRMATIVE DEFENSE TO APPLICANT'S COUNTERCLAIM

Failure to State a Claim for Cancellation

6. Applicant's Amended Counterclaim fails to state a claim for cancellation of Registration No. 1,450,104.

WHEREFORE, McDonald's hereby requests that judgment be entered in its favor and against Applicant, that Opposer's First Affirmative Defense be sustained, and that the Trademark Trial and Appeal Board grant Opposer any further relief that it deems just and equitable.

Respectfully submitted,

McDONALD'S CORPORATION

Date: May 18, 2010 By: <u>/Lawrence E. James, Jr./_</u>

One of the Attorneys for Opposer

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CERTIFICATE OF SERVICE

I, Lawrence E. James, Jr., state that I served a copy of the foregoing *Opposer's Answer to*Applicant's Amended Counterclaim and Affirmative Defenses via first class U.S. mail, postage pre-paid and email, upon:

Katherine Hendricks HENDRICKS & LEWIS PLLC 901 Fifth Ave., Ste 4100 Seattle, WA 98164

Email: Kh@hllaw.com

on this 18th day of May, 2010.

/Lawrence E. James, Jr. /
Lawrence E. James, Jr.

NGEDOCS: 1707885.3